

Notification to Potential “Major Donors”

Individuals or businesses are considered “major donors” if they contribute a total of \$10,000 or more in a calendar year to state and local candidates and committees. Major donors must disclose their contributions under the Political Reform Act. To let these individuals and businesses know about their reporting obligations, the law requires candidates and committees that receive \$5,000 or more in a calendar year from any single individual or business to notify the contributor of these reporting requirements. Fair Political Practices Commission regulation 18427.1 recommends language for committees to use when notifying contributors of \$5,000 or more. While it is not required that the notice contain the exact language found in the regulation, the language used must be substantially the same.

When to Send the Notice



The notice must be sent to the contributor within two weeks of receiving the contribution of \$5,000 or more, or contributions cumulating to \$5,000 or more in a calendar year.

Example: The Committee for Blue Skies received \$2,000 from Bicycles, Inc. on January 4, 2004. Later that year, on August 6, Bicycles, Inc. contributed another \$3,000 to the committee. By August 20, 2004, the committee must send Bicycles, Inc. the “major donor” notice.

Recordkeeping

Candidates and treasurers must maintain a record of all notices sent. These records should include the date of each notice and the name and address of the person to whom each notice is sent.

When a Notice is Not Required

- (1) If a notice has previously been sent to the contributor pursuant to this section in the same calendar year; or
- (2) If the contributor has a recipient committee identification number issued by the Secretary of State.

What Language Must be Used:

The notice must contain the following language or language that is substantially similar:

If your contribution(s) to this committee and to other California state or local committees total(s) \$10,000 or more in a calendar year, California law requires you to file a Major Donor Committee Campaign Statement (Form 461). The deadline and location for filing this statement will depend upon the timing and type of contribution(s) you have made. In addition, once you become a major donor, you are required to file a late contribution report within 24 hours if you make contributions totaling \$1,000 or more to a single candidate, any of the candidate’s controlled committees, or to a committee primarily formed to support or oppose a candidate or

ballot measure during the 16 days before the election in which the candidate or ballot measure is being voted on or make contributions totaling \$1,000 or more to a state or county political party committee during the 16 days prior to a state election.

Failure to file campaign statements may result in late filing penalties (\$10/day) and fines (up to \$5,000/violation). For more information, contact the Fair Political Practices Commission at (916) 322-5660, or toll-free at (866) 275-3772, or refer to their website: www.fppc.ca.gov.

Additionally, if you make contributions of \$50,000 or more in a calendar year in California and some or all of those contributions are to state candidates, committees, or ballot measures, you are required to file your Form 461 electronically with the Secretary of State. For more information on the electronic filing requirements, contact the Secretary of State's office at (916) 653-6224.

Sample Letter

[Date]

[Name]

[Address]

[City/State/Zip]

Dear Contributor:

Thank you for your recent contribution. Because your contributions to my campaign this calendar year total \$5,000, I am required to notify you that you may have a filing requirement as a major donor committee.

If your contribution(s) to this committee and to other California state or local committees total(s) \$10,000 or more in a calendar year, California law requires you to file a Major Donor Committee Campaign Statement (Form 461). The deadline and location for filing this statement will depend upon the timing and type of contribution(s) you have made. In addition, once you become a major donor, you are required to file a late contribution report within 24 hours if you make contributions totaling \$1,000 or more to a single candidate, any of the candidate's controlled committees, or to a committee primarily formed to support or oppose a candidate or ballot measure during the 16 days before the election in which the candidate or ballot measure is being voted on or make contributions totaling \$1,000 or more to a state or county political party committee during the 16 days prior to a state election.

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Sincerely,
[Name of Signer]